

BYLAWS
OF
SPRINGWATER HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I.

MEETING OF MEMBERS

Section 1. Duration, Purposes and Offices. The Springwater Homeowners' Association, Inc. ("Association") shall remain in existence perpetually with its registered office initially located at 706 Hackberry Rd., Cecilia, Kentucky; however, the Association may also have such other offices within or without the Commonwealth of Kentucky as its Board of Directors may from time to time determine.

The purposes of the Association are to carry out the objectives, duties and obligations delegated and imposed upon the Association by its Articles of Incorporation, the Declaration of Restrictive Covenants for Springwater dated Sept. 10, 2015 and of record at the Warren County Clerk's office in Deed Book 1103, Page 109 (the "Declaration"); to make such Rules and Regulations as are necessary to implement the Articles and Declaration; to inform and notify each Owner and Occupant of its activities in a timely manner; and to transact any and all other lawful business for which non-stock, non-profit corporations may be organized pursuant to the laws of the Commonwealth of Kentucky.

Section 2. Membership. a) Membership in the Association. Each Owner of each Lot shall automatically, upon acquiring record title thereto, become a Member of the Association and shall remain a Member until the Owner is no longer the record title holder of said Lot, at which time membership in the Association shall automatically cease. Conveyance of record title to any

Lot automatically transfers membership in the Association without the necessity of further documentation and membership shall be appurtenant to each Lot; and b) Classes of Membership.

The Association shall have two classes of membership, as set out in the Declaration.

Section 3. Annual Meeting. The Annual Meeting of the Members for the election of Directors and the transaction of such other business as may properly come before it shall be held at the principal office of the Corporation as designated herein or at such other place within or without the Commonwealth of Kentucky, as shall be set forth in the Notice of Meeting. The Meeting shall be held in February of each year.

Section 4. Special Meetings. Special Meetings of the Members may be called at any time by a majority of the Directors or by the holders of at least thirty-three and one-third percent (33-1/3%) of all votes entitled to be cast on the issue proposed to be considered at the proposed Special Meeting, provided that such holders of stock sign, date, and deliver to the Corporation's Secretary one (1) or more written demands for the Meeting describing the purpose or purposes for which it is to be held. Within 5 days thereafter, the Board of Directors shall fix a date, time and place for such Meeting, to be held within 20 days of such Notice either within or without the Commonwealth of Kentucky, and shall give Notice of such Meeting in accordance with these Bylaws except on approval of 90% of the votes present at a Special Meeting, only business within the purpose or purposes described in the Meeting Notice required by these Bylaws may be conducted at a Special Meeting of the Members.

Section 5. Notice. Notice of all Annual and Special Meetings of the Members shall be given no fewer than seven (7) nor more than sixty (60) days before the date of such Meeting to each Member entitled to vote at such Meeting as of the record date established by Article VIII of these Bylaws, such Notice stating the place, date and hour of the Meeting; Notices for Special Meetings

of the Members shall include a description of the purpose or purposes for which the Meeting is called. Such Notice shall be in writing addressed to each Member entitled to vote at such Meeting and transmitted by regular United States mail, postage pre-paid, to the address of the Member as it appears on the records of the Corporation (which shall be irrefutably presumed to be correct unless such Member shall have filed with the Secretary of the Corporation a written Notice of Change of Address). Any and all Notices for Annual or Special Meetings may be waived by the Members by submitting a signed Waiver either before or after the Meeting, or by attendance at the Meeting unless the Member at the beginning of the Meeting objects to holding the Meeting or transacting business at the Meeting.

Section 6. Waiver of Notice of Meetings. A member may waive any notice of a Meeting as required by these Bylaws or by the Kentucky Revised Statutes before or after the date and time stated in the notice of the Meeting. The waiver shall be in writing, signed by the Member entitled to notice, and be delivered to the Corporation for inclusion in the minutes or filing with the corporate records.

Section 7. Quorum. The presence, in person or by proxy of a majority of the Members entitled to vote thereon shall be necessary to constitute a quorum for the transaction of business at all Meetings of the Members. Voting rights for Class A Members and Class B Members shall be as set out in the Declaration, or as may be set out in amendments to these bylaws, but only after Class B Membership shall have ceased.

Section 8. Proxies. A Member may appoint a proxy to vote or otherwise act for him by signing an appointment form, either personally or by his attorney-in-fact. A telegram or cablegram appearing to have been transmitted by the proper person, or a photographic, photostatic, or equivalent reproduction of a writing appointing a proxy shall be deemed to be a sufficient, signed

appointment form. Appointment of a proxy shall be effective when the appointment form is received by the Secretary of the Corporation. An appointment shall be valid for 11 months unless a longer period is expressly provided in the appointment form. An appointment of a proxy shall be revocable by the Member unless the appointment form conspicuously states that it is irrevocable and the appointment is coupled with an interest. Appointments coupled with an interest include the appointment of: (a) a pledgee; (b) a creditor of the Corporation who extended it credit under terms requiring the appointment; or (c) an employee of the Corporation whose employment contract requires the appointment.

The death or incapacity of the Member appointing a proxy shall not affect the right of the Corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary of the Corporation before the proxy exercises his authority under the appointment.

Section 9. Action Without a Meeting. Action required or permitted to be taken by the Members at a Members Meeting may be taken without a Meeting and without prior Notice, if the action is taken by all Members entitled to vote on the action. Action taken under this section shall be evidenced by one (1) or more written consents describing the action taken, signed by the member or his proxy taking the action, and delivered to the Corporation for inclusion in the Minutes for filing with the corporate records. Action taken under this section shall be effective when consents representing the votes necessary to take the action under this section are delivered to the Corporation, or upon delivery of the consents representing the necessary votes, as of a different date if specified in the consent. Any Member giving a consent under this Section may revoke the consent by a writing received by the Corporation prior to the time that consents representing the votes required to take the action under this Section have been delivered to the Corporation but may not do so thereafter. A consent signed under this Section shall have the effect of a Meeting vote

and may be described as such in any document.

ARTICLE II.

DIRECTORS

Section 1. Number and Qualifications. The entire Board of Directors shall consist of no less than three (3) nor more than six (6) persons.

Section 2. Term of Office. The term of each Director shall be until the next Annual Meeting of the Members following the election of the Director and until his successor is elected and qualifies.

Section 3. Duties and Powers. All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of its Board of Directors. The Directors shall in all cases transact the business of the Corporation by a majority present at the Meeting.

Section 4. Meetings. The Board of Directors shall meet for the election or appointment of officers and for the transaction of any other business of the Corporation as soon as practicable after the adjournment of the Annual Meeting of the Members. Regular Meetings of the Board of Directors shall be held at such times as the Board of Directors may from time to time determine.

Special Meetings of the Board of Directors may be called by the President, Chairman of the Board or upon written request of sixty percent (60%) of the total number of Directors. The Secretary shall give notice of such Meeting no more than seven (7) days after receipt of such request.

Any or all Directors may participate in any Meeting, whether a regular or Special Meeting, or conduct the Meeting through the use of any means of communication by which all Directors participating may simultaneously hear each other during this Meeting. A Director participating in a

Meeting by this means shall be deemed to be present in person at the Meeting.

Section 5. Notice of Meetings. No Notice need be given of any regular Meeting of the Board of Directors. Notice of Special Meetings shall be served upon each Director in person or by mail addressed to the Director at his last known post office address, at least two (2) days prior to the date of such Meeting. Notices of Special Meetings shall contain the date, time and place of the Meeting but shall not require a description of the purpose of such Special Meeting.

Section 6. Place of Meeting. The Board of Directors shall hold its Meetings at the main offices of the Corporation, unless such other place may be designated in the Notice of such Meeting. Meetings of the Board of Directors, upon prior Notice, may be held either within or without the Commonwealth of Kentucky at such place as may be designated in the Notice of such Meeting.

Section 7. Waiver of Notice of Meetings. A Director may waive any Notice of such Meeting as required by these Bylaws before or after the date and time of the Meeting stated in the Notice of the Meeting. The Waiver shall be in writing signed by the Director entitled to the Notice, and filed with the Minutes or corporate records. A Director's attendance at or participation in a Meeting shall waive any required Notice to him of the Meeting, unless the Director at the beginning of the Meeting (or promptly upon his arrival) objects to holding the Meeting or transacting business at the Meeting and does not thereafter vote for or assent to action taken at the Meeting.

Section 8. Action Without Meeting. Action to be taken at a Board of Directors Meeting may be taken without a Meeting if the action is taken by all members of the Board. The action shall be evidenced by one (1) or more written consents describing the action taken, signed by each Director, and included in the Minutes or filed with the corporate records reflecting the action taken. Any action taken under this Section shall be effective when the last Director signs the consent, unless the consent specifies a different effective date. A consent signed under this Section shall have the effect of a Meeting vote and may be described as such in any document.

Section 9. Quorum. At any Meeting of the Board of Directors, the presence of a majority of the elected and qualified members of the Board of Directors shall be necessary to constitute a quorum for the transaction of business.

Section 10. Voting. If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present shall be the act of the Board of Directors.

Section 11. Compensation. No Director shall be entitled to receive compensation for his/her service to the Corporation.

Section 12. Vacancies. Any vacancy occurring on the Board of Directors, for whatever reason, shall be filled promptly by a majority vote of all of the remaining Directors. If the Directors remaining in office constitute fewer than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of the Directors remaining in office.

Section 13. Removal of Directors. Any Director may be removed either with or without cause, at any time, by a vote of a majority of Members entitled to vote for the election of the Director sought to be removed, at any Special Meeting called for that purpose, or at the Annual Meeting of the Members. A Director may not be removed if the number of votes sufficient to elect him under cumulative voting is voted against his removal. If a Special Meeting of the Board of Directors shall be called for the purpose of removing a Director, then such Notice of the Special Meeting shall state that the purpose, or one or more of the purposes, of the Meeting is the removal of the Director.

Section 14. Resignation. A Director may resign at any time, by delivering a written Notice to the Board of Directors, its Chairman or to the Corporation. A resignation shall be effective when the Notice is delivered unless the Notice specifies a later effective date.

ARTICLE III.

OFFICERS

Section 1. Officers and Qualifications. The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board of Directors may prescribe from time to time more than one office may be held by an individual. The duties of each of the respective officers of the Corporation are set forth in these Bylaws.

Section 2. Election. All officers of the Corporation shall be elected annually by the Board of Directors at its Meeting held immediately after the Annual Meeting of the Members.

Section 3. Removal of Officers. Any officer may be removed either with or without cause by the vote of the majority of the Board of Directors; the Directors may specify a date upon which removal shall become effective or in the absence of any date, the removal shall become effective when the successor of the officer has been elected and qualified.

Section 4. Duties of Officers. Each officer shall have the authority and shall perform the duties as follows:

PRESIDENT AND CHIEF EXECUTIVE OFFICER

The President shall be the chief executive officer of the Corporation, and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation, including but not limited to, the authority to employ (and to discharge) all subordinate employees, and to fix and prescribe their duties, all as may be required or deemed advisable for the conduct of the business of the Corporation. The President shall, when present, preside at all Meetings of the Members and shall act as Chairman of the Board of Directors, if the Board of Directors does not select a Chairman of the Board different from the President. The President may sign deeds, mortgages, bonds, contracts, checks, drafts, obligations of the Corporation, United States Government or other bonds, all other securities of every kind for the Corporation or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to other officers or agents of the Corporation or shall be required by law to be otherwise signed and executed, and the President in general shall perform all duties incident to the chief executive officer and such other duties and responsibilities as from time to time are prescribed by the Board of Directors.

VICE PRESIDENT

In the absence of the President or in the event of his death or inability to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in order of designation at the time of their election, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the

powers of and be subject to all the restrictions upon the President. Any Vice President may perform such other duties as may from time to time be assigned to him by the President or by the Board of Directors.

SECRETARY

The Secretary shall keep the Minutes of the Meetings of the Board of Directors and of the Members, shall attend to the giving of Notice of Meetings of the Board of Directors and of Members as required by these Bylaws and to be responsible for the authenticating of records of the Corporation. In addition to the foregoing, the Secretary shall perform such other duties and responsibilities as from time to time are prescribed by the Board of Directors.

TREASURER

The Treasurer of the Corporation shall be its chief fiscal officer and the custodian of its funds, securities, and property. The Treasurer shall have the following specific powers and duties:

- a. To keep and maintain, open to inspection by the President and any director at all reasonable times, adequate and correct accounts of the properties and business transactions of the Corporation, which shall include all matters required by law and which shall be in form as required by law.
- b. To have the care and custody of the funds and valuables of the Corporation and deposit the same in the name and to the credit of the Corporation with such depositories as the Board of Directors may designate.
- c. To maintain accurate lists and descriptions of all capital assets of the Corporation, including land, buildings, and plants.
- d. To see to the proper drafting of all checks, drafts, notes and orders for the payment of money as required in the business of the Corporation, and to sign such instruments.

e. To disburse the funds of the Corporation for proper expenses and dividends and as may be ordered by the Board of Directors and to take proper vouchers for such disbursements.

f. To render to the President and Secretary or to the Board of Directors, whenever they may require, an account of all transactions as Treasurer, and a financial statement in form satisfactory to them, showing the condition of the Corporation.

In addition to the foregoing, the Treasurer shall have such other powers, duties and authority as may be set forth elsewhere in these Bylaws and as may be prescribed by the President or the Board of Directors from time to time.

Section 4. Compensation of Officers. The officers shall receive such salary or other compensation as may be fixed from time to time by the Board of Directors.

ARTICLE IV.

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative ("proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director or officer of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving as a director or officer, shall be indemnified and held harmless by the corporation to the fullest extent authorized by Kentucky law, as the same exists or may hereafter be amended, (but, in the case of any such amendment, only to the extent that such amendment permits

the corporation to provide broader indemnification rights than said law permitted the corporation to provide prior to such amendment) against all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith; provided, however, that the corporation shall indemnify any such person seeking indemnity in connection with an action, suit or proceeding (or part thereof) initiated by such person only if such action, suit or proceeding (or part thereof) was authorized by the Board of Directors of the corporation. Such right shall be a contract right and shall include the right to be paid by the corporation expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service as or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of such proceeding, shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it should be determined ultimately that such director or officer is not entitled to be indemnified under this Section or otherwise.

ARTICLE V.

RECORD DATE

The record date for the determination of Members entitled to Notice of and to vote at any Annual or Special Meeting of the Members, or for determining Members entitled to a distribution, shall be the date of recordation of the Member's deed to the Member's lot in Springwater Subdivision.

ARTICLE VI.

MISCELLANEOUS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. No loans shall be made in the name of the Corporation and no evidence of such indebtedness shall be issued in the name of the Corporation unless authorized by the Board of Directors.

ARTICLE VII.

AMENDMENTS

These Bylaws may be altered, amended, repealed or restated by a majority of the Board of Directors of the Corporation.